

<b>UNITED STATES BANKRUPTCY COURT</b> <b>DISTRICT OF NEW JERSEY</b> <b>Caption in Compliance with D.N.J. LBR 9004-1(b)</b>	
<b>BROWN RUDNICK LLP</b> Robert J. Stark, Esq. Kenneth J. Aulet, Esq. Bennett S. Silverberg, Esq. Seven Times Square New York, NY 10036 Telephone: (212) 209-4800 Fax: (212) 209-4801 Email: rstark@brownrudnick.com kaulet@brownrudnick.com bsilverberg@brownrudnick.com <i>Proposed Counsel for the Official Committee of Unsecured Creditors</i> -and- <b>GENOVA BURNS LLC.</b> Daniel M. Stolz, Esq. Donald W. Clarke, Esq. Gregory S. Kinoian, Esq. 110 Allen Rd., Suite 304 Basking Ridge, NJ 07920 Telephone: (973) 230-2095 Fax: (973) 533-1112 Email: DStolz@genovaburns.com DClarke@genovaburns.com GKinoian@genovaburns.com <i>Proposed Local Counsel for the Official Committee of Unsecured Creditors</i>	<b>BROWN RUDNICK LLP</b> Stephen D. Palley, Esq. 601 Thirteenth Street, NW Washington, DC 20005 Telephone: (617)536-1766 Fax: (617)289-0466 Email: spalley@brownrudnick.com
In re:  <b>BLOCKFI INC., et al.,</b>  Debtors. <sup>1</sup>	Chapter 11  Case No. 22-19361 (MBK)  Jointly Administered

<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC. (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 201 Montgomery Street, Suite 263, Jersey City, NJ 07302.

**APPLICATION FOR RETENTION OF PROFESSIONAL**

1. The applicant, Official Committee of Unsecured Creditors, is the (check all that apply):

- ☐ Trustee: ☐ Chap. 7 ☐ Chap. 11 ☐ Chap. 13.
- ☐ Debtor: ☐ Chap. 11 ☐ Chap. 13
- ☒ Official Committee of Unsecured Creditors

2. The applicant seeks to retain the following professional Elementus to serve as (check all that apply):

- ☐ Attorney for: ☐ Trustee ☐ Debtor-in-Possession
- ☐ Official Committee of \_\_\_\_\_
- ☐ Accountant for: ☐ Trustee ☐ Debtor-in-possession
- ☐ Official Committee of \_\_\_\_\_
- ☒ Other Professional:
- ☐ Realtor ☐ Appraiser ☐ Special Counsel
- ☐ Auctioneer ☒ Other (specify): Blockchain Intelligence and Forensics Expert

3. The employment of the professional is necessary because:

In light of the size and complexity of these Chapter 11 Cases, the novelty of the issues raised, and the potentially serious allegations, the Committee requires a qualified and experienced blockchain forensics advisor with Elementus' resources, capabilities, and experience. Elementus is well qualified to serve as blockchain forensics advisor to the Committee. Elementus is a data-first blockchain intelligence and forensics firm and its data scientists and experts have a wealth of experience in mapping public blockchains. Elementus and its professionals are able to trace the flow of funds and provide detailed accounting of transaction activity occurring on the blockchain, or in industry parlance "on-chain". The Committee and the estate will benefit immensely from their specialized experience. The Committee

submits this Application because of its need to retain a blockchain expert to assist it in the critical tasks associated with guiding the Committee through the Debtors' reorganization efforts. Because of the complicated and new issues arising in this restructuring, the Committee respectfully submits that the services of a blockchain forensics advisor are necessary and appropriate to enable it to evaluate the complex cryptocurrency issues raised by the Debtors' reorganization proceedings and to effectively fulfill its statutory duties.

4. The professional has been selected because:

Elementus has experience mapping the flow of funds on chain in several similar cases. Elementus experience with data science, blockchains and finance will greatly benefit the Committee.

5. The professional services to be rendered are as follows:

Elementus has agreed to provide services to the Committee in accordance with the terms and conditions of the Engagement Letter. **Exhibit "A."** The terms of the Engagement Letter reflect the mutual agreement between the Committee and Elementus as to the substantial efforts that may be required of Elementus in this engagement. The Engagement Letter provides, in consideration for the compensation thereby, that Elementus will, to the extent requested by the Committee, render the following blockchain forensics advisory services<sup>2</sup>:

- a. Provide advisory services with respect to on-chain flow of funds and Debtors' on-chain posture;
- b. Assistance with mapping Debtors' entities on-chain;
- c. Assistance with mapping Debtors' counterparties and related parties on-chain;
- d. Assistance with tracing the flow of funds between Debtors and counterparties;
- e. Assistance with providing a reconciliation of all Debtors' transactions on-chain;
- f. As required, assistance with producing written reports and materials to illustrate and support on-chain findings;

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<sup>2</sup> This Application summarizes the terms of the Engagement Letter. To the extent there is a conflict between the Application and the Engagement Letter, the Engagement Letter will govern.

- g. Attendance at meetings and assistance in discussions with stakeholders and other third parties, as requested;
  - h. Render such other general business consulting or such other assistance as the Committee or its counsel may deem necessary and as is ancillary to the services described above; and
  - i. Such other assistance as Elementus and the Committee shall mutually agree in writing.
- 6. The proposed arrangement for compensation is as follows: See attached Engagement Letter.
- 7. To the best of the applicant's knowledge, the professional's connection with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee, is as follows:
  - ☐ None
  - ☒ Describe connection: After the professional was engaged, a substantial list of potentially interested parties was circulated. *Schedule 1 to the Certification of Professional*. The professional has completed the investigation of any connections requiring disclosure under the applicable rules. Attached as *Schedule 2 to the Certification of Professional* is a list of connections. Based on the conflicts search conducted to date and described therein, to the best of the professional's knowledge and insofar as the professional has been able to ascertain, (a) the professional is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, as required by section 327(a) of the Bankruptcy Code, and does not hold or represent an interest adverse to the Debtors' estates and (b) the professional has no connection to the Debtors, their creditors, or other parties in interest, except as may be disclosed in *Schedule 1 to the Certification of Professional*.
- 8. To the best of the applicant's knowledge, the professional (check all that apply):
  - ☒ does not hold an adverse interest to the estate.
  - ☒ does not represent an adverse interest to the estate.
  - ☒ is a disinterested person under 11 U.S.C. § 101(14).
  - ☐ does not represent or hold any interest adverse to the debtor or the estate with respect to the matter for which he/she will be retained under 11 U.S.C. § 327(e).

☒ Other; explain: See paragraph 7.

9. If the professional is an auctioneer, appraiser or realtor, the location and description of the property is as follows: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

10. The applicant respectfully requests authorization to employ the professional to render services in accordance with this application, with compensation to be paid as an administrative expense in such amounts as the Court may determine and allow.

Date: January 25, 2023

**THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS**

/s/ Elisabeth Carabas.

Elisabeth Carabas, solely in her capacity as Co-Chair of  
the Official Committee of Unsecured Creditors of  
BlockFi Inc., *et al.*

/s/ Brendon Ishikawa.

Brendon Ishikawa solely in his capacity as Co-Chair of  
the Official Committee of Unsecured Creditors of  
BlockFi Inc., *et al.*

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